

As much misapprehension prevails on the subject, and as the public mind appears to be deeply imbued with the conviction, which has been forced upon it by erroneous statements frequently and continuously made, that the investments of the State of Maryland in the Baltimore and Ohio Railroad, and in its Washington Branch, have been disastrous to its interests, and that the tax payers have consequently been thus subjected to heavy burdens, it is deemed necessary and just to present the facts.

What have been the investments of the State in the Baltimore and Ohio Railroad?

First. On April 1st, 1834, the State subscribed for five thousand shares of the stock of the Washington Branch; five hundred thousand dollars, (\$500,000,) provided a bond having twenty-five years to run, with interest at five per cent. was taken in payment therefor, and as a security in part for the interest on this five hundred thousand dollars, a bonus was to be paid for the line from the Relay House to the borders of the District of Columbia, being for the use of twenty-seven miles of the territory of Maryland, of twenty per cent. of the gross revenue from passengers, between Baltimore and Washington. The result of this investment has been namely: A receipt of fifty thousand dollars in stock as a dividend on 10th December, 1838, and of dividends in cash of \$1,625,-250.00, also for one-fifth of gross revenue from passengers, \$3,327,919.56. A statement is appended hereto, which shows the actual result, charging the interest paid by the State on the five per cent. bond taken by the Baltimore and Ohio Railroad Company for this subscription, and the receipts of cash into the Treasury against the same. It will be noted that this five per cent. bond for five hundred thousand dollars was redeemed for \$489,329.12 being \$10,670.88 below par. It will be noted that the interest account being made at the actual amount paid by the State on the twenty-five years bond to the date of its maturity, and since that period at six per cent. on the capital thus invested that the actual forfeit on this investment of five hundred thousand dollars (\$500,000,) and the bonus charged for the use of twenty-seven miles of the territory of the State to perfect the line between Baltimore and Washington has amounted to \$7,981,522.80.

Second, the subscription for three million preferred stock which was taken by the Baltimore & Ohio Railroad Company in sterling 5 per cent. bonds. These bonds were sold by the Company at a loss, as compared with the price at which they were taken from the State, of \$134,356.78.

It is a subject, striking and conspicuous in the history of the Company, that whilst the State of Maryland in all the